

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 371 - HB 715

February 12, 2023

SUMMARY OF BILL: Authorizes a local education agency (LEA) or public charter school to use temporary assistance for needy families (TANF) program funds to cover costs associated with programs in the LEA or public charter school that provide covered services to eligible students. Requires the Department of Education (DOE) to determine which programs are eligible to be funded with TANF program funds. Requires DOE to publish a list of such eligible programs on its website. Requires DOE and the Department of Human Services (DHS) to establish a process to apply for and award TANF program funds.

FISCAL IMPACT:

Increase State Expenditures - \$94,300/FY23-24 and Subsequent Years

Other Fiscal Impact – The precise amount and timing of any increase in local revenue or any permissive shift in local expenditures is dependent on multiple variables and cannot be reasonably determined.

The state receives approximately \$182,200,000 in TANF block grant funding each year and the state's TANF balance as of September 30, 2022 was \$753,890,600. The extent and timing of any disbursement from TANF funds cannot reasonably be determined.

Assumptions:

- Families First, the state's TANF program, is a workforce development and employment program. The Families First program provides temporary cash assistance, transportation, child care assistance, educational supports, job training, employment activities, and other support services.
- The state receives approximately \$182,200,000 in federal TANF block grant funding each year and the state's TANF balance as of September 30, 2022 was \$753,890,600.
- The proposed legislation will allow LEAs and public charter schools to apply for and receive TANF program awards in order to fund eligible programs.
- DOE and DHS will not incur any costs to identify eligible programs that provide certain services to eligible students.
- DOE will require one Education Consultant 3 to accept and review applications and oversee the reimbursement process.

- There will be a recurring increase in state expenditures of \$94,322 [(\$74,604 salary + \$19,718) x 1 Education Consultant position] in FY23-24 and subsequent years.
- In the event that LEAs and public charter schools utilize TANF funds, there will be an increase in local revenue and local cost savings or shift in expenditures may be realized. The precise impact on local revenue and any shift in expenditures is dependent on multiple unknown variables and cannot be reasonably determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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